encouraging the State Governments to follow five-pronged strategy of awareness generation, people' participation, transparency, accountability and strict vigilance and monitoring.

Taxes on cement

†*589. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that tax is collected by Government on cement and on the material used for its manufacture in the country;

(b) if so, the kind of taxes imposed by the Central Government and the State Governments on cement and on the material used for its manufacture during 2006-07;

(c) the rates of the tax collected by the Central and the State Governments; and

(d) the amount of all the taxes recovered per tonne as in April, 2007?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Yes, Sir.

(b) The taxes imposed by the Central and State Governments on cement and materials used for its manufacture include Central excise duty, education cess on excise duty, Central sales tax, value added tax/sales tax and octroi. Royalty is also imposed on lime-stone and coal used in manufacturing cement.

(c) The Applicable rates of taxes collected by the Central and State Governments on Cement are as below:

Imposed by the Central Government:

1. Excise Duty on cement:

   a. In case of large cement plants @ Rs. 350/MT for cement with retail sale price (RSP) not exceeding Rs. 190 bag of 50 Kg; @ Rs. 600/MT for RSP of cement exceeding Rs. 190/bag; and

†Original notice of the question was received in Hindi.

@ Rs. 400/MT for cement cleared in bulk. With effect from 3rd May 2007 the rates of excise duty in respect of large cement plants have been revised to 12% *ad-valorem* on RSP of cement exceeding Rs. 190/bag but not exceeding Rs. 250/bag.

b. In case of mini cement plants @ Rs. 220/MT for cement with Retail Sale Price (RSP) not exceeding Rs. 190 per bag of 50 Kg; @ Rs. 370/MT for RSP of cement exceeding Rs. 190/ bag; and @ Rs. 250/MT for cement cleared in bulk.

2. Education Cess on Excise Duty; @3% on Excise Duty.

3. Central Sales tax; @3%.

Imposed by State Governments:

1. Value Added Tax on cement: @ 12.5%.

2. Sales Tax on cement: Approximately 13.2% in States which do not impose Value Added tax.

3. VAT/Sales Tax on other inputs and stores: Rates vary from State to State.

4. In some States there are municipal Octroi duties which vary from city to city.

Royalty on limestone and coal: In addition to the above taxes, royalty is imposed on limestone and coal. Royalty on coal varies form Rs. 85/MT to Rs. 165/MT. The royalty on limestone is on an average Rs. 45/MT. Some States also impose a cess on royalty.

(d) The extent of Central and State taxes in April 2007 is estimated to be between Rs. 900 and Rs. 1250 per MT of cement.

Adverse affect of doing away compulsory package in sacks of Jute

†*590. SHRI RUDRA NARAYAN PANY: Will the Minister of TEXTILES be pleased to state:

(a) whether the Ministry is considering to do away with the condition of packing grains, sugar and other materials in the sacks and sacks made of

†Original notice of the question was received in Hindi.